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Resolve, To Require the Department of Health and Human Services To Provide Cost-of-living Adjustments for Nursing Facilities and Certain Medical and Remedial Private Nonmedical Institutions

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, this resolve requires the Department of Health and Human Services to provide cost-of-living adjustments for nursing facilities and medical and remedial private nonmedical institutions for fiscal years 2009-10 and 2010-11; and

Whereas, the Department of Health and Human Services is directed to publish its calculations of the cost-of-living adjustments no later than May 25, 2009; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore, be it

Sec. 1 Cost-of-living adjustments for nursing facilities. Resolved: That, notwithstanding any other provision of law, the Department of Health and Human Services shall provide a cost-of-living adjustment in each of the fiscal years 2009-10 and 2010-11 to nursing facilities that are reimbursed for certain costs under the sections of the department's rules entitled "Principles of Reimbursement for Nursing Facilities," 10-144 Chapter 101, Chapter III, Section 67. The cost-of-living adjustment must be in the following amounts:

1. Three percent for nursing facilities where 80% or more of the facility's annual resident days are covered by MaineCare; and
2. One and a half percent for all other nursing facilities.

This cost-of-living increase must be applied to all components of the reimbursement rate except the fixed cost component. The department shall publish its calculation of the cost-of-living adjustment no later than May 25, 2009 for fiscal year 2009-10 and no later than May 25, 2010 for fiscal year 2010-11. The department shall determine each facility's annual resident days based on its last audited cost report; and be it further

Sec. 2 Cost-of-living adjustments for certain medical and remedial private nonmedical institutions. Resolved: That, notwithstanding any other provision of law, the Department of Health and Human Services shall provide a cost-of-living adjustment in fiscal years 2009-10 and 2010-11 to medical and remedial private nonmedical institutions that are reimbursed for room and board costs under the sections of the department's rules entitled "Principles of Reimbursement for Residential Care Facilities - Room and Board Costs," 10-144 Chapter 115 and under rules entitled "Private Non-Medical Institution Services, Appendix C, Principles of Reimbursement for Medical and

Remedial Service Facilities" and "Appendix F, Principles of Reimbursement for Non-Case Mixed Medical and Remedial Facilities," 10-144 Chapter 101, Chapter III, Section 97. The cost-of-living adjustment must be provided in the following amounts:

1. Three percent for remedial private nonmedical institutions where 80% or more of the facility's annual resident days are covered by MaineCare; and
2. One and a half percent for all other remedial private nonmedical institutions.

This cost-of-living increase must be applied to all components of the reimbursement rate, except the capital cost component, per year per facility. The department shall publish its calculation of the cost-of-living adjustment no later than May 25, 2009 for fiscal year 2009-10 and no later than May 25, 2010 for fiscal year 2010-11. The department shall determine each facility's annual resident days based on its last audited cost report; and be it further

Sec. 3 Appropriations and allocations. Resolved: That the following appropriations and allocations are made.

**HEALTH AND HUMAN SERVICES, DEPARTMENT OF
Nursing Facilities 0148**

Initiative: Appropriates and allocates additional funds for the costs of providing a 3% or 1.5% cost-of-living adjustment applied to all components of the reimbursement rate, except the fixed cost component, for the costs during fiscal years 2009-10 and 2010-11, and incorporating that adjustment into the base going forward. The 3% cost-of-living increase must be provided to nursing facilities where 80% or more of the facility's annual resident days are covered by MaineCare. The 1.5% cost-of-living increase must be provided to all other nursing facilities.

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|----------------------------------|----------------|----------------|
| GENERAL FUND | 2009-10 | 2010-11 |
| All Other | \$1,234,000 | \$2,490,000 |
| | <hr/> | <hr/> |
| GENERAL FUND TOTAL | \$1,234,000 | \$2,490,000 |
| | | |
| FEDERAL EXPENDITURES FUND | 2009-10 | 2010-11 |
| All Other | \$2,291,000 | \$4,624,000 |
| | <hr/> | <hr/> |
| FEDERAL EXPENDITURES FUND TOTAL | \$2,291,000 | \$4,624,000 |

**HEALTH AND HUMAN SERVICES, DEPARTMENT OF
State Boarding Homes 2009**

HP0880, LD 1261, item 1, 124th Maine State Legislature
Resolve, To Require the Department of Health and Human Services To Provide Cost-of-living
Adjustments for Nursing Facilities and Certain Medical and Remedial Private Nonmedical Institutions

Initiative: Appropriates and allocates funds for the costs of a 3% cost-of-living adjustment for fiscal years 2009-10 and 2010-11 for certain residential care facilities where 80% or more of the facility's annual resident days are covered by MaineCare. A 1.5% cost-of-living adjustment must be provided for all other residential care facilities.

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|----------------------------------|----------------|----------------|
| GENERAL FUND | 2009-10 | 2010-11 |
| All Other | \$763,000 | \$1,547,000 |
| | <hr/> | <hr/> |
| GENERAL FUND TOTAL | \$763,000 | \$1,547,000 |
| | | |
| FEDERAL EXPENDITURES FUND | 2009-10 | 2010-11 |
| All Other | \$1,417,000 | \$2,872,000 |
| | <hr/> | <hr/> |
| FEDERAL EXPENDITURES FUND TOTAL | \$1,417,000 | \$2,872,000 |

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.

SUMMARY

This bill requires the Department of Health and Human Services to provide nursing facilities with cost-of-living adjustments in fiscal years 2009-10 and 2010-11. The adjustment must be 3% for nursing facilities where 80% or more of the facility's annual resident days are covered by MaineCare. A 1.5% adjustment must be provided for all other nursing facilities.

The bill provides those residential care facilities that are reimbursed under department rules with a cost-of-living adjustment in each of the fiscal years 2009-10 and 2010-11. The adjustment must be 3% for residential care facilities where 80% or more of the facility's annual resident days are covered by MaineCare. The adjustment must be 1.5% for all other residential care facilities.

This bill also has an appropriations and allocations section.